## **TCAC**

## 2004 Regulations

## *INDEX*

Section	Page
Section 10300 Purpose and Scope	1
Section 10302 Definitions	1-4
Section 10305 General Provisions	4
(a) Meetings	4
(b) Report	4
(c) Forms	4
(d) Limitations	4
(e) Notification	4
(f) Conflicting Provisions	4
Section 10310 Reservations of Tax Credit	5
(a) Reservation cycles	5
(b) Credit amounts available	5 5 5 5
(1) Amount of federal Credit	5
(2) Amount of state Credit	5
(3) Waiting list Credit	5
Section 10315 Set-asides and Apportionments	5
(a) Nonprofit set-aside	5-6
(b) Rural set-aside	6
(c) Small development set-aside	6
(d) "At risk" set-aside	6
(e) Special needs/SRO set-aside	6
(f) Hold Back	6
(g) Housing types	7
<ul> <li>Large Family</li> </ul>	7
• SRO	7
• "At Risk"	7
<ul> <li>Special Needs</li> </ul>	7
<ul> <li>Seniors</li> </ul>	7

Section 10315 (continued)	Page
(h) Geographic Apportionments	7
(i) Credit available for geographic apportionments	7
Section 10317 State Tax Credit Eligibility Requirements	8
(a) General	8
(b) Allocation of federal Credit required	8
(c) Limit on Credit amount	8
(d) Allocation Priorities	8
(e) State Credit exchange	8
(f) Acquisition Credit	8
(g) Tax-Exempt Bond Financing	8
Section 10320 Actions by the Committee	9
(a) Meetings	9
(b) Credit and ownership transfers	9
(c) False information	9
Section 10322 Application Requirements	9-16
(a) Separate application	10
(b) Application forms	10
(c) Late application	10
(d) Incomplete application	10
(e) Complete application	10
(f) Application changes	10
(g) Applications not fully evaluated	10
(h) Standard application documents	10-13
(1) Applicant's Statement	10
(2) The Application Form	10-11
(3) Organizational documents	11
(4) Designated contact person	11
(5) Identification of project participants	11
(6) Identities of interest	11
(7) Legal description	11
(8) Site and surrounding area description	12
(9) Site layout	12
(10) Market Studies	12
(11) Site location	12
(12) Unique site features	12
(13) Construction and design description	12
(14) Architectural drawings	12
(15) Placed-in-service schedule	12
(16) Identification of local jurisdiction	12
(17) Sources and uses of funds	12
(18) Financing plan	12

Section 10322 Application Requirements (continued)	Page
(19) Eligible basis certification	13
(20) Use of tax benefits description	13
(21) Justification of syndication costs in basis	13
(22) Terms of syndication agreement	13
(23) Tax Credit factor certification	13
(24) Utility allowance estimates	13
(25) Description of subsidies	13
(26) Certification of subsidies	13
(27) Cash flow projection	13
(28) Self-scoring sheet	13
(i) Additional application documents	13
(1) Final Reservation application	13
(2) Placed-in-service application	14
(3) Acquisition Credit application	15
(4) Rehabilitation application	15
(5) Acquisition of Occupied Housing application	15
(6) Tenant relocation plan	15
(7) Owner-occupied Housing application	15
(8) Nonprofit set-aside application	16
(9) Rural set-aside application	16
(10) RHS Section 514, 515 or 538 program applications	16
(11) HOME funds match	16
(j) Reapplication	16
Section 10325 Application Selection Criteria – Credit Ceiling Applications	16-35
(a) General	16
(b) Authority	17
(c) Credit ceiling application competitions	17
Scoring	
(1) Leveraging	17
(2) General partner/management company characteristics	18
(3) Negative points	18-19
(4) Housing needs	19
(5) Site and service amenities	19-22
(6) Neighborhood revitalization	22
(7) Balanced communities	22-23
(8) Sustainable building methods	23-24
(9) Lowest income matrix	24
(10)Readiness to proceed	24
(11)State Credit substitution	25
(12) Tie breakers	25
(d) Application selection for evaluation	25
(1) Set-aside application selection	25
(2) Geographic Areas selection	26
(e) Application evaluation	26

Section 10325 (Continued)	Page
(f) Basic thresholds	26-30
(1) Housing need and demand	27
(2) Demonstrated site control	27
(3) Enforceable financing commitment	27
(4) Local approvals and zoning	27
(5) Financing feasibility	28
(6) Sponsor characteristics	28
(7) Minimum construction standards	28
(8) Deferred-payment financing, grants and subsidies	29
(9) Project size and credit amount limitations	29
(10) Hard construction cost minimums for competitive rehab projects	30
(g) Additional threshold requirements	30-33
(1) Large family projects	30
(2) Senior projects	31
(3) SRO projects	32
(4) Special needs projects	32
(5) At-risk projects	33
(h) Waiting list	34
(i) Carry forward of Credit	35
Section 10326 Application Selection Criteria – Tax-exempt bond	35
Applications	
(a) General	35
(b) Applicable criteria	35
(c) Application review period	35
(d) Issuer determination of Credit	35
(e) Additional application requirements	35
(f) Application evaluation	36
(g) Basic thresholds	36-38
(1) Housing need and demand	36
(2) Demonstrated site control	36
(3) Local approvals and Zoning	36
(4) Financial feasibility	36
(5) Sponsor characteristics	37
(6) Minimum construction standards	37
(h) Additional conditions on applications	38
(i) Tax-exempt bond reservations	38
(j) Additional conditions on reservations	38
(k) Placed-in-service	38

Section 10327 Financial Feasibility and Determination of Credit	Page
Amounts	
(a) General	39
(b) Limitation on determination	39
(c) Reasonable cost determination	39-42
(1) Builder overhead, profit, and general requirements	39
(2) Developer fee	39
(3) Syndication expenses	40
(4) Net syndication proceeds	40
(5) Threshold basis limits	40
(6) Minimum debt service coverage	41
(7) Acquisition costs	41
(8) Reserve accounts	42
(9) Applicant resources	42
(d) Determination of eligible and qualified basis	42
(1) High cost area adjustment to eligible basis	42
(2) Deferred fees and costs	42
(e) Determination of Credit amounts	42
(f) Determination of Feasibility	42
(g) Underwriting criteria	43-44
(1) Minimum operating expenses	43
(2) Replacement reserve minimums	43
(3) Out-year calculations	44
(4) Property tax expense minimums	44
(5) Vacancy and collection loss minimums	44
(6) Loan terms	44
(7) Variable interest rate loans	44
(8) Cash flow after debt service	44
(9) Residential and commercial income	44
Section 10328 Conditions on Credit Reservations	44
(a) General	44
(b) Preliminary Reservations	44
(c) Final Reservations	45
(d) Carryover allocations	45
(e) Placed-in-service	45
(f) Additional conditions	46
Section 10330 Appeals	46
(a) Availability	46
(b) Timing	46
(c) Review	46

Section 10335 Fees and Performance Deposit	46
(a) Application fee	46
(b) Allocation fee	47
(c) Reservation fee	47
(d) Performance deposit	47
(e) Compliance monitoring fee	48
Section 10337 Compliance	48
(a) Regulatory contracts	48
(b) Responsibility of owner	48
(c) Compliance monitoring procedure	48
(1) Record keeping	48
(2) Record retention	48
(3) Certification requirements	49
(4) Status report, file and on-site physical inspections	49
(5) Notification of noncompliance	50
(6) Correction period	50
(7) IRS and FTB notification	50
(d) Change in ownership	50
(e) First year's 8609	50